

SOUTHERN PIONEER,

AND CARROLL, CHOCTAW AND TALLAHATCHIE COUNTIES ADVERTISER.

By G. W. H. BROWN.

CARROLLTON, MISSISSIPPI, SATURDAY OCTOBER 2, 1841.

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Prospectus,
For publishing in the town of Carrollton, Carroll county, Miss., a weekly paper to be entitled the
Southern Pioneer,
(By G. W. H. BROWN.)

UNDER the above title of the "SOUTHERN PIONEER," we propose to publish in the town of Carrollton, a new Weekly Paper, devoted to Politics, both State and National, Agriculture, the current news of the day, and the advancement of the great cause of Education. This paper will be devoted to what its conductor believes to be the best interests of the State and country. It will advocate the great Whig cause which you have recently seen so signally triumphant. Believing, that the principles put forth by the great Whig party as the tenets of its political creed, are the only true ones on which this Government was originally founded, and on which it should be administered, this paper will tend to those principles, whenever and wherever espoused, its humble but cordial support.

No man or set of men, will be by us unscrupulously sustained at the expense of principle. "PRINCIPLES NOT MEN," is our motto—by this rule shall we be governed, and in subjecting all to this test, we shall find them, judge with impartiality, admonish with candor, and reprehend with justice. As humble Pioneers in the great cause of political truth, we shall ever point to the cardinal virtues of a representative Government. But, the interests of our State, and more particularly of our country, shall receive at our hands a constant and an earnest advocacy. While our sister counties have been the object of Legislative action, and Executive patronage, the county of Carroll has remained comparatively unknown and unappreciated. It shall therefore be our pride, as well as our duty, to develop its vast resources and point out its numerous advantages. The cause of education, the cause of enlightened and progressive civilization, the only true bulwark of a nation's freedom, shall receive that attention its importance demands. In fine, as humble Pioneers in the great crusade against ignorance and error, we shall shoulder our mattock and shovel, and taking our place in the great march of modern improvement, our course shall ever be as Marathon said to Stanley, "ONWARD."

TERMS.—The "PIONEER" will be published every Saturday morning at FIVE DOLLARS in advance, or SIX DOLLARS at the expiration of six months, or SIX DOLLARS FIFTY at the end of the year.

NO PAPER WILL BE DISCONTINUED UNTIL ALL ARREARAGES ARE PAID.

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"HONESTY IS THE BEST POLICY."

"THE FAITH OF THE STATE—IT MUST BE PRESERVED."

FROM THE NATCHEZ COURIER.

SANDY CREEK LETTERS—No. 1.

WASHINGTON COUNTY, }
July 24th, 1841. }

DEAR SIR:—I desire to know whether you have read the Governor's letter to Hope & Co; and whether you think the State is legally or morally bound for the payment of her bonds.

I believe you were originally opposed to the sale of the bonds; and I know that your name has never appeared on any paper discounted by the Bank, either as drawer or endorser.—I also know that though like myself, you are indebted for property purchased at high prices, you will give me your opinion, unbiassed by prejudice and uninfluenced by self-interest.

I am yours, &c.

DEAR SIR:—I have duly received your letter of 22d ult. and hasten to reply thereto.—I premise by stating, that I am, as you know, a humble planter, without any pretensions to law knowledge, and therefore the opinions I may advance, will be the dictates of common sense and common honesty.

I am clearly of the opinion, that the State is, both legally and morally bound for the payment of the bonds; and that she can in no way escape from the obligation, without a flagrant breach of honor and good faith. There is nothing in the Governor's letter, nor in anything else that I have seen on the subject, to weaken my convictions, that she is bound by every principle of honor, and by everything which as a State, she ought to hold dear, to pay the bonds according to their tenor.

To contend that the endorsement of the President of the Union Bank, by which he stipulated for the payment of 'sterling money,' instead of 'legal currency of the United States' specified in the bonds, releases the State from her obligation to pay, because it "changed the currency in which alone she agreed to pay," is both ridiculous and absurd. It can no more change the face of the contract, or require the State to pay more than she engaged to pay, than your individual note could be changed, by any thing written over the endorsement of the person to whom it was made payable.—

To illustrate this. If you execute your note to me, for "one thousand dollars, payable in the legal currency of the United States"—and I endorse it, and write over my endorsement, "I guaranty the payment of the within note in diamonds." Does it bind you to pay in diamonds? Certainly not. And does it release you from the payment in the currency in which you contracted to pay? Just as certainly not. The liabilities of the State could not be changed by any endorsement on the bonds, unless made with the consent of the State through her Executive, sanctioned by an act of the Legislature. The inference therefore, that this endorsement is sufficient to invalidate the contract, and release the State from her obligation, is wholly groundless.

Nor does the assumption, that because the sale was made to the Bank of the United States, a party that is prohibited by her charter, from dealing in State stocks, the State is thereby released from her obligation, rest on any better grounds. In the first place, there is not a shadow of evidence to prove that the sale was made to the Bank of the United States, or to Mr. Biddle for the Bank. Mr. Biddle was the purchaser in his individual capacity. The whole correspondence was in his individual name and character; and the Commissioners had no right to know and would have been deemed impertinent had they inquired for whose use or benefit the purchase was made. If the sale had been made to an idiot or minor, his guardian might have protested against the consummation of the contract and refused to deliver the money; but even such a sale could not release the State from the moral obligation to pay after she had received and used the money. Nor could she have escaped her moral obligation, had the Commissioners gone to Texas with the proceeds of the bonds, or in any other way squandered the money for their own use and pleasure.

It matters not therefore, to whom the bonds were sold, if the State received the money for them, she is morally bound to provide for their payment. I know, that one of our courts has decided in the case of the commissioners of the sinking fund against the Hon. R. J. Walker,—that because the commissioners had no specific grant of power to make loans, therefore the defendant could not be held legally liable for his note, executed for money borrowed. But I have heard that the jury would have unanimously decided that having received, used and enjoyed the money, the defendant was morally bound to pay the note with interest, and this I think would have been the verdict of every honest jury under similar circumstances. And here I may remark, that the whole question of responsibility, is one of a purely moral character. The State cannot be sued on her bonds, and her legal liability can therefore never be tested; and the question for the people to decide is, is she morally bound to make restitution for money had and used? That she received the money and the full five millions too, there cannot be a doubt, for she received script from the Union Bank for five millions of her stock, and appointed directors to manage the bank, and superintend the State's interest in the same. She in fact appointed all the directors for the first year or two, and is therefore solely responsible for the mismanagement of the bank and the improper use of her funds. The stockholders elected no directors, as I believe, for the first two years. Certain it is, the State appointed all the directors who had any agency in the appointment of the commissioners, or in negotiation for the sale of the bonds, and if there be any thing wrong in the matter, is she not responsible for it? The errors, if any, were those of her own agents, and surely it cannot be morally right to take advantage of the mismanagement of her own agents, to evade the payment of her obligations.

You, I am sure, would hardly contend, that because you purchased your plantation in 1836, when property was far above its real value, and the purchase had proved, from the mismanagement of your overseer, or from causes beyond your control, a most unfortunate one; that therefore you were released from the obligation to pay for it, after having used it for years, and that you would be justified in running the negroes off to Texas!—And yet, I do conscientiously believe there would be quite as much justification for such an act, as there is for the State to refuse to pay her bonds, in the hands of innocent holders, after having received their value and used the money.

If the State is not bound for the payment of her bonds, then there is, there can be, no contract that cannot be evaded. Even the marriage contract; the most solemn of all engagements—may be violated on pretexts quite as frivolous. To contend for such doctrines, is to sap the very foundations of all virtue and morality; and neither the State nor her citizens would expect to have any just claim to character or credit among her sister States.—The people must be identified with the State in all her acts; and you who have a family to raise in Mississippi, ought to look well to the results which must inevitably follow a violation of the plighted faith of the State. You cannot overlook or disregard the obligation which rests on you as a father, to give your children the advantage of good precepts, and a good example; and you can do neither, if you sanction in any way the monstrous doctrine, that because the agents of the State have mismanaged her funds, or made a bad bargain for her, she is therefore not obliged to

keep her faith.

But I have nearly exhausted my paper, and must reserve for another letter, what I have to say on the other points of the Governor's letter. I hope you will not deem me tedious.

I am, &c.

A SANDY CREEK PLANTER.

FROM THE NATCHEZ COURIER.

SANDY CREEK LETTERS—No. 2.

SANDY CREEK, August 3, 1841.

DEAR SIR:—In my letter of yesterday, I endeavored to answer the 2d and 4th objections of the Governor to the payment of the state bonds.

I omitted to notice the 3d objection, because I deemed it wholly unworthy of consideration; and because I believed when the Governor made it, he knew it was both frivolous and false. The character of the commissioners who negotiated the sale, is above suspicion, and very far above the influence of attack from such a source. They are known to you, and I need only add, that you know as I know them to be incapable of fraud, or a connivance at fraud for any pecuniary advantage to themselves or others; for any hope of personal aggrandizement, or any expectation of political distinction; or for any purpose whatever. I therefore dismiss the third objection of the Governor, as wholly undeserving of your or my notice; and proceed to consider the 1st and 5th objections.

It is admitted the bonds were sold on a nominal credit, so far as the bank was concerned, but in regard to the state, I think there was no credit; for she realized the full amount of the proceeds at once, in becoming a stockholder to the full extent of the five millions before the 1st of January, 1839. But whether or not, it cannot militate against the liability of the state for the payment of the bonds; for no possible inconvenience or disadvantage resulted; either to the state or to the banks, from the nominal credit granted. If they had been sold for cash, could the proceeds have been realized at Jackson, on any better terms or with greater advantage to the bank? If the whole sum had been checked for at once, or in any short space of time, the rate of checks would have fallen far below the cost of the transportation of specie. Indeed it is highly that the bank could not have checked more advantageously for the proceeds of the bonds, than she was permitted to do, by the terms of the sale. If the sale had been made for cash, it (the cash) would have remained idle and without benefit to the bank, in the vaults of the United States Bank, until it suited the convenience or interest of the Union Bank to check for it. She could not force a sale of her checks without depreciating the value, and she could only dispose of them advantageously, as the demand for northern funds increased or abated. To have pursued a contrary course, would or might have subjected her to a loss of one or two per cent. in withdrawing the fund, instead of realizing as she actually did, 3 to 3½ per cent. premium, (or 5 per cent. as she might have done, if the financial department of the bank had been judiciously managed.) As neither the state nor the bank lost by the nominal (for I repeat again, it was but nominal) credit given to the purchaser, it is idle to contend that this would be a justifiable pretext for refusing to pay the bonds.

The 5th assumption, to wit: that the bonds were not sold at their par value is susceptible of direct contradiction. It is presumed that the Legislature contemplated Jackson as the place where the par was to be realized. Now, it is true, that some six or seven months interest were due at the time the bonds were sold, which ensured to the purchaser, but it is also true, that all this interest and more was regained by the bank in the premium obtained for her checks. If the bonds had been sold for cash, and the commissioners had attempted to have the same transported to Jackson, in gold and silver, could the state have realized par for the bonds at Jackson? Certainly not. In the first place, much time would have been consumed in the transportation of the funds, for it would have been impracticable, and impolitic if practicable, to have shipped more than \$200,000 by any one vessel. To have shipped the five millions, would have required twenty-five vessels, and that number of safe vessels could not have been procured in Philadelphia in less than four or five months, for it is rare to find more than one vessel a week leaving that port for New Orleans. The insurance to New Orleans would not have been less than 2½ per cent., and no one office would have aken a greater risk in any one vessel than \$10,000, so that every shipment of \$200,000 would necessarily have to be covered in twenty different offices. In this, there would have been risk of loss, even under the best management.

Again, the commissioners could not have remained in Philadelphia, to have superintended the various shipments, and the employment of an agent would have been, not less than ½ per cent. Thus, 2½ per cent. would have been expended in getting the specie to New Orleans. To remove it from thence to Vicksburg, would have required the intervention of another agent, and the insurance from New Orleans to Vicksburg, would have been at least, ½ per cent., making the whole cost, including the charge of the agent at New Orleans, not less than 3½—three and a half per cent! Well! To transport 5 millions from Vicksburg to Jackson, would have cost, in freight alone, (for it must be remembered the

Railroad cars were not then in operation to Jackson,) at least ½ per cent. So that by the time the money was lodged in the bank at Jackson the state would have expended 3½ per cent., of the sum of \$187,500—one HUNDRED AND EIGHTY THOUSAND AND FIVE HUNDRED DOLLARS—or \$4,161 70—more than the Governor says was lost in interest! Now, is it not idle to talk about par? The commissioners believed—and honestly believed, that they were receiving par for the bonds, when the sum of 5 millions of dollars was deposited, subject to the control of the bank, at a point where she could realize from three to five per cent. on her checks, drawn against the deposit. This is too plain to require further elucidations. But is it not strange, that they should be condemned for their very best exertions to save the state and the bank? They could not by any other course have realized the par for the bonds. I think therefore, you will agree with me, that this 5th objection of the Governor, rests on too flimsy a foundation to be sustained by honest and intelligent men.

I said in my first letter, that the question to be decided, was one purely of ethics,—that in as much as the state could not be sued, her legal liability could never be tested. When a man is beyond the reach of legal process, he is under no legal restraint. He has no guide, and nothing to regulate or govern his actions but the dictates of his inward monitor,—conscience. So also with the state. As she is beyond the reach of legal process, it is folly to talk of her legal obligations. But the state is but a mass of individuals acting in community, and her decisions will be guided, governed and directed by the consciences of the people. I am not willing to believe so badly of the moral sense of the people of this state, as to doubt their decision on this all important bond question. I am not willing to believe, that we are disposed to entail infamy on our posterity, by refusing to do what reason, conscience, common sense and common honesty dictate. I am therefore persuaded, the November elections will result in the choice of the bond paying ticket.

I will address you one more letter, on the subject of taxation and the Governor's ARRAY OF FIGURES.

A SANDY CREEK PLANTER.

FROM THE NATCHEZ COURIER.

SANDY CREEK LETTERS—No. 3.

AUGUST 4th, 1841.

DEAR SIR:—I promised in my last a few words more, on the subject of "Taxation and the Governor's ARRAY OF FIGURES." I now proceed to fulfil my pledge, and then I will drop the subject forever.

The Governor, by a most conspicuous display of his arithmetical genius, has endeavored to show, that by reason of the endorsement on the Bonds, the State will have to pay for semi-annual interest the sum of \$422,693 00 more than she contracted to pay, and \$478,750 00 in principle, more than the face of the Bonds calls for. This is palpably designed for political effect, and intended to alarm the fears of those who are sensitive on the subject of Taxation. The utmost farthing that the State is legally or morally bound for, is five millions of dollars, with the semi-annual interest thereon at 5 per centum per annum, payable in the legal currency of the United States, at the agency of the Bank of the United States, at the agency of the Bank of the United States in London. The charter has expressly authorized the place of payment, to be designated by the endorsement on the Bonds. It is therefore clear, that the money—that is, \$2000 AMERICAN DOLLARS FOR EACH Bond must be placed in London at the maturity of the Bonds.

To place this amount in London, may cost the State one per cent., or she may do it at a gain of two per cent. The price of Sterling fluctuates from week to week and month to month, and no human foresight can predict what will be the rate at the maturity of the Bonds. It may be 7 per cent., or it may be 3 per cent. If we continue to import more than we export, it may vary from 6 to 8½ per cent. But assuming it to be at 7 per cent., as a medium, the State may purchase Sterling and remit, and with the proceeds purchase dollars at 4s. 1½d., and thus realize on the remittance 2 to 2½ per cent.; for the average value of American dollars in London is 4s. 1d. to 4s. 2d. She may thus pay the five millions, with FOUR MILLIONS NINE HUNDRED THOUSAND DOLLARS, INVESTED IN EXCHANGE IN THE CITY OF NEW YORK. But if she chooses to transmit the dollars, it will cost her the expense of transportation, in freight & insurance. This is evident to every man who understands arithmetic, or who is at all acquainted with the subject of Exchange.

But I have a word or two to say on the subject of Taxation, for this is the "RAW HEAD AND BLOODY BONES," that is calculated to frighten the timid and the cautious into a refusal to acknowledge the obligation of the State to pay her Bonds.

It is my firm persuasion that neither you nor I, will ever be assessed one dollar for the payment of the principal and interest of the state bonds, and on this point, I think your fears may be put at rest forever. But I know there are some who entertain a contrary opinion; and they reason thus, on the hardships of their case. "I never had a dollar from the Union Bank—I never speculated in their paper—I have never been benefitted to the value of a cent, by the money borrowed, and

why should I be tax to pay the bonds?" Now my dear sir, by the same process of reasoning, there is scarcely a tax imposed, that might not be considered a hardship. Every bridge tax that has ever been assessed operates unequally, and injuriously on some, for it is a hardship for the people of one section of the country, who need no bridges, to be taxed for the bridges built in another section, over which they never travel, and from which they derive no benefit. But again. Let us suppose that one of our remote northern counties is invaded by a savage foe, and by no possibility, could his hostile steps reach the county of Adams, that to all intents and purposes we were as secure as the people beyond the mountains, could we or would we refuse to march to the relief of the county attacked? or would we refuse to be taxed to pay the expenses of the war? We derive no benefit from the money expended,—on the contrary it is all expended at a point remote from us, and yet, where is the man who would refuse to pay his twenty or his forty dollars for such an object? No citizen of Mississippi is so destitute of patriotism and state pride as not to be willing to shed his blood and spend his money in the defence of the soil of his state; no one could bear that it should be polluted by the steps of a foreign foe. And can we for the sake of dollars and cents, compromise our honor? You are told you will be taxed \$10 a head to pay the State bonds, and will you for the paltry sum of \$10, allow the plighted faith of the State to be violated? I will not believe it.

But you will not be taxed to pay this debt. The assets of the Union Bank will pay at least three millions, and surely the next legislature will not be so remiss as not to secure it. The whole assets of the bank, ought to be assigned in trust for the payment, first of her notes and deposits, and next of the State bonds. I have it from the best authority, that not less than 2½ or 3 millions may be relied on for the discharge of the bonds from this source. And the distribution bill now before Congress and which must pass at this or the next session, will give us the means of paying the semi-annual interest and the balance of the principal of the bonds. This, I think you may rely on.

The discussion of this subject has been premature, and got up for party purposes. The bonds are not due till 1850 and 1855, and many changes may take place before then.—But suppose the next legislature resolves, "that the State is neither legally nor morally bound for the bonds, and that she will not pay them;" and that just before the maturity of the first series of bonds, the legislature, then in session, resolves, that we are "morally and legally bound for the principal and interest of the bonds." Which of these resolves is to be binding on the people? There may be this confliction. We have a right to expect it; for the last legislature resolved, that we were bound for the payment of the bonds and would pay them. I foresee that we are to have nothing but conflicting legislation on this subject for years; and that much angry excitement will be produced by it, and I think much advantage will result from the postponement of the whole subject, until after the assets of the Union Bank are secured. Let each county exact pledges from their members, that they will use their best endeavors to have the assets of that bank assigned to commissioners selected by the Chancellor in behalf of the state, whose duty it shall be to collect the same and apply the proceeds to the payment, first of her circulation, and next of the bonds, and that until this is done, no action shall be had on the bond question. For until we know how much we have to pay, it is both morally and legally wrong to resolve that we will pay nothing.

But suppose that it is resolved by our legislature next winter, that we are not bound to pay the bonds, will this at once exempt the debtors of the Union Bank from their liabilities to the bank? If the State is not bound to refund the money borrowed from Hope & Co., the people who borrowed the same money from the Union Bank cannot be bound to refund it to her. An act then of the next legislature, releasing the state from her obligations, would at the same time release the debtors of the Union Bank forever. But a succeeding legislature may resolve that the bonds must be paid, and in the mean time the debtors of the Union Bank are all released, the books of bank destroyed, and the institution itself blotted forever from our memories!! What is our condition then? Why we have wondrously sacrificed three millions of dollars, which should have been held sacred for the payment of the bonds, we must resort to enormous taxation, to make up this deficiency. But I may be told that a resolution to release the state, will not necessarily exempt the debtors of the Union Bank. I would ask if this be not so, what will you do with the money collected from the debtors of the Union Bank after you have reduced the circulation? You have resolved not to refund it to the parties from whom you borrowed it, and what will you do with it? Will you use it? What!!! Use money thus obtained for State purposes?—Why highway robbery would be more dignified and respectable than this.

But to conclude these letters. Let us in the language of the poet,

"Beware how we establish a precedent,

"Lest many errors, by the same example

"Creep into the State."

Let us not perpetrate a permanent evil for